THE MINISTER OF STEEL (SRHI RAM VILAS PASWAN): (a) and (d) Steel Authority of India Limited (SAIL) has improved its financial performance and wiped out its entire accumulated losses in 2003-04 itself. It made a net profit of Rs. 2,512 crore in 2003-04 as against a loss of Rs. 304 crore in 2002-03.

(b) Does not arise in view of (a) and (d) above.

(c) A Business and Financial Restructuring package for SAIL was approved by the Government in February 2000. The financial package provided waiver of a loan of Rs. 5,073 crore advanced to SAIL from the Steel Development Fund (SDF) and Rs. 381 crore from the Government of India. It also provided for Government guarantees for loan to be raised by SAIL from the market. Under this, a guarantees for Rs. 1,500 crore was approved with 50% interest subsidy to finance reduction in manpower through Voluntary Retirement Scheme, and for Rs. 1,500 crore (without interest subsidy) to meet repayment obligation on past loans. No financial help has been given to SAIL since February, 2000.

Investment in Steel Sector

†606. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the existing production capacity of steel in the country is 36 million tonnes;

(b) if not, the facts in this regard together with the total capital invested in steel sector in the country for the utilisation of the production capacity of steel; and

(c) the total work force required for optimum use of production capacity and the total number of people presently employed in the said sector?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) and (b) During the year 2003-04, production capacity of crude steel in the country was estimated to be 39.383 million tonnes. Information on total capital invested in the steel sector is not readily available.

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†Original notice of the question was received in Hindi.

(c) In a liberalised environment the extent of capacity utilization of steel plants depends on market forces. The public sector units of Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Limited (RINL) are operating at over 100% capacity utilization with the present level of work force.

Steel production

†607. SHRI RAVI SHANKAR PRASAD:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Government have set a target to instal the 110 million tonnes capacity of steel production in the country by the year 2020;

(b) if not, the facts thereof;

(c) whether the assessment with regard to requirement of steel in the country by the said period has also been made;

(d) if so, the assessment of the same; and

(e) the additional capital investment required to invest the said production capacity?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) to (d) the steel sector was deregulated, delicenced and decontrolled in 1991-92. Thereafter, the market determines production targets and investment decisions in the steel sector. Nonetheless, it has been estimated that in order to become self reliant and globally competitive in the steel sector the country would require indigenous production of over 100 million tonnes steel per annum by 2020 from the 2004 level of 35 million tonnes.

(e) In order to achieve the goal of over 100 million tonnes of steel production by 2019-20, it is estimated that the industry would need fresh capital to the tune of Rs. 230,000 crore. In addition funds would also be required for technological upgradation of the existing facilities.

†Original notice of the question was received in Hindi.